Appendix E: Draft Legislation Implementing Committee Recommendations

The following six legislative proposals by CPAC members have been published as LDs at the time this report was completed:

1. LD 462, An Act to Direct the Department of Transportation to Incorporate Regionalism into the Transit Bonus Payment Program, Sponsored by Rep. Janet McLaughlin

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 23 MRSA §1807, sub-§6, as enacted by PL 2001, c. 681, §1, is amended to read:

6. Rules. The commissioner shall adopt rules to implement this section. The rules must give preference to towns that operate a transit service that has a regional component. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter ~~II-A~~ 2-A.

SUMMARY

This bill directs the Department of Transportation to adopt rules regarding the transit bonus payment program that give preference to towns that operate a transit service that has a regional component.

2. LD 463, An Act to Enhance Integration of Transportation and Land Use Planning, Sponsored by Rep. Janet McLaughlin

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 23 MRSA §73, sub-§4, as enacted by IB 1991, c. 1, §1, is amended to read:

4. Rulemaking. The Department of Transportation shall adopt a rule within one year of the effective date of this Act, in coordination with the Maine Turnpike Authority and state agencies including the Department of Economic and Community Development, the State Planning Office and the Department of Environmental Protection, to implement the statewide comprehensive transportation policy. The rule must incorporate a public participation process that provides municipalities and other political subdivisions of the State and members of the public notice and opportunity to comment on transportation planning decisions, capital investment decisions, project decisions and compliance with the statewide transportation policy.

The Department of Transportation shall adopt a rule, in coordination with the State Planning Office, that establishes linkage between the planning processes outlined in this section and those promoted by Title 30-A, chapter 187, subchapter 2 and that promotes investment incentives for communities that adopt and implement land use plans that minimize over-reliance on the state highway network. This rule is a major substantive rule as defined in Title 5, chapter 375, subchapter 2-A.

SUMMARY

This bill requires the Department of Transportation to adopt a major substantive rule that establishes linkage between the Sensible Transportation Policy Act and comprehensive planning and land use regulation laws. The rule must also promote investment incentives for communities that adopt and implement land use plans that minimize over-reliance on the state highway network.

3. LD 858, An Act to Amend the Tax Increment Financing Laws to Include Affordable Housing, Sponsored by Rep. Peter Mills

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA c. 206, sub-c. 3 is enacted to read:

SUBCHAPTER 3

MUNICIPAL AFFORDABLE HOUSING DEVELOPMENT DISTRICTS

§5245. Findings and declaration of necessity

1. Legislative finding. The Legislature finds that there is a need for the development of affordable, livable housing and the containment of the costs of unplanned growth in Maine municipalities.

2. Authorization. For the reasons set out in subsection 1, a municipality may develop a program to provide impetus for affordable housing development within a district of the municipality, as provided in the comprehensive plan adopted by the legislative body of the municipality.

3. Declaration of public purpose. It is declared that the actions required to assist the implementation of affordable housing development programs are a public purpose and that the execution and financing of these programs are a public purpose.

§5246. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Affordable housing. "Affordable housing" means a decent, safe and sanitary dwelling, apartment or other living accommodation for a household whose income does not exceed 120% of the median income for the area as defined by the United States Department of Housing and Urban Development under the United States Housing Act of 1937, Public Law 412, 50 Stat. 888, Section 8, as amended.

2. Affordable housing development district. "Affordable housing development district" or "district" means a specified area within the corporate limits of a municipality that has been designated as provided under sections 5247 and 5250 to be developed under an affordable housing development program and financed under section 5250-A.

3. Affordable housing development program. "Affordable housing development program" or "program" means a statement of means and objectives designed to encourage the development and maintenance of affordable housing within an affordable housing development district.

4. Amenities. "Amenities" means items of street furniture, signs and landscaping, including, but not limited to, plantings, benches, trash receptacles, street signs, sidewalks and pedestrian malls.

5. Authority. "Authority" means the Maine State Housing Authority.

6. Captured assessed value. "Captured assessed value" means the amount, as a percentage or stated sum, of increased assessed value that is utilized from year to year to finance the project costs contained within the affordable housing development program.

7. Current assessed value. "Current assessed value" means the assessed value of the district certified by the municipal assessor as of April 1st of each year that the affordable housing development district remains in effect.

8. Director. "Director" means the Director of the Maine State Housing Authority.

9. Financial plan. "Financial plan" means a statement of the project costs and sources of revenue required to accomplish the affordable housing development program.

10. Increased assessed value. "Increased assessed value" means the valuation amount by which the current assessed value of an affordable housing development district exceeds the original assessed value of the district. If the current assessed value is equal to or less than the original, there is no increased assessed value.

11. Maintenance and operation. "Maintenance and operation" means all activities necessary to maintain affordable housing after development and all activities necessary to operate the affordable housing, including, but not limited to, informational, promotional, safety and surveillance activities.

12. Original assessed value. "Original assessed value" means the assessed value of an affordable housing development district as of March 31st of the tax year preceding the year in which it was designated.

13. Project costs. "Project costs" means any expenditures or monetary obligations incurred or expected to be incurred that are authorized by section 5249, subsection 1 and included in an affordable housing development program.

14. Tax increment. "Tax increment" means real property taxes assessed by a municipality, in excess of any state, county or special district tax, upon the increased assessed value of property in the affordable housing development district.

15. Tax shifts. "Tax shifts" means the effect on a municipality's state revenue sharing, education subsidies and county tax obligations that results from the designation of an affordable housing development district and the capture of increased assessed value.

16. Tax year. "Tax year" means the period of time beginning on April 1st and ending on the succeeding March 31st.

§5247. Affordable housing development districts

1. Creation. A municipal legislative body may designate an affordable housing development district within the boundaries of the municipality in accordance with the requirements of this subchapter. If the municipality has a charter, the designation of an affordable housing development district may not be in conflict with the provisions of the municipal charter.

2. Considerations for approval. Before designating an affordable housing development district within the boundaries of a municipality, or before establishing an affordable housing development program for a designated affordable housing development district, the legislative body of a municipality must consider whether the proposed district or program will contribute to the expansion of affordable housing opportunities within the municipality or to the betterment of the health, welfare or safety of the inhabitants of the

municipality. Interested parties must be given a reasonable opportunity to present testimony concerning the proposed district or program at the hearing provided for in section 5250, subsection 1. If an interested party claims at the public hearing that the proposed district or program will result in a substantial detriment to that party's existing property interests in the municipality and produces substantial evidence to that effect, the legislative body shall consider that evidence. When considering that evidence, the legislative body also shall consider whether any adverse economic effect of the proposed district or program on that interested party's existing property interests in the municipality is outweighed by the contribution made by the district or program to the availability of affordable housing within the municipality or to the betterment of the health, welfare or safety of the inhabitants of the municipality.

3. Conditions for approval. Designation of an affordable housing development district is subject to the following conditions.

A. At least 25%, by area, of the real property within an affordable housing development district must:

(1) Be suitable for residential use;

(2) Be a blighted area; or

(3) Be in need of rehabilitation or redevelopment.

B. The affordable housing development district is subject to the area cap established in section 5223, subsection 3, paragraph B.

C. The original assessed value of a proposed affordable housing development district plus the original assessed value of all existing affordable housing development districts within the municipality may not exceed 5% of the total value of taxable property within the municipality as of April 1st preceding the date of the director's approval of the designation of the proposed affordable housing development district.

D. The aggregate value of municipal general obligation indebtedness financed by the proceeds from affordable housing development districts within any county may not exceed $50,000,000 adjusted by a factor equal to the percentage change in the United States Bureau of Labor Statistics Consumer Price Index, United States City Average from January 1, 2002 to the date of calculation.

E. The affordable housing development program must show that the development meets an identified community housing need. The affordable housing development program must provide a mechanism to ensure the ongoing affordability for a period of at least 5 years.

F. Acquisition, construction and installment of all property improvements, buildings, structures, fixtures and equipment included within the affordable housing development program and financed through municipal bonded indebtedness must be completed within 5 years of the director's approval of the designation of the affordable housing development district.

4. Powers of municipality. Within an affordable housing development district and consistent with an affordable housing development program, a municipality may acquire, construct, reconstruct, improve, preserve, alter, extend, operate or maintain property or promote development intended to meet the objectives of the affordable housing development program. Pursuant to the affordable housing development program, the municipality may

acquire property, land or easements through negotiation or by using eminent domain powers in the manner authorized for community development programs under section 5204. The municipality's legislative body may adopt ordinances regulating traffic in and access to any facilities constructed within the affordable housing development district. The municipality may install public improvements.

§5248. Affordable housing development programs

1. Adoption. The legislative body of a municipality shall adopt an affordable housing development program for each affordable housing development district. The affordable housing development program must be adopted at the same time as the district as part of the district adoption proceedings or, if at a different time, in the same manner as adoption of the district, with the same notice and hearing requirements of section 5250. Before adopting an affordable housing development program, the municipal legislative body shall consider the factors and evidence specified in section 5247.

2. Requirements. The affordable housing development program must include:

A. A financial plan in accordance with subsection 3;

B. A description of facilities, improvements or programs to be financed in whole or in part by the affordable housing development program;

C. Plans for the relocation of persons displaced by the development activities;

D. The environmental controls to be applied;

E. The proposed operation of the affordable housing development district after the planned improvements are completed;

F. An assurance that the program complies with section 4349-A;

G. The duration of the program, which may not exceed 30 years from the date of designation of the district; and

H. All documentation submitted to or prepared by the municipality under section 5247, subsection 2.

3. Financial plan for affordable housing development district. The financial plan for an affordable housing development district must include:

A. Cost estimates for the affordable housing development program;

B. The amount of public indebtedness to be incurred;

C. Sources of anticipated revenues;

D. A description of the terms and conditions of any agreements, contracts or other obligations related to the affordable housing development program; and

E. For each year of the affordable housing development program:

(1) Estimates of increased assessed values of the district;

(2) The portion of the increased assessed values to be applied to the affordable housing development program as captured assessed values and resulting tax increments in each year of the program; and

(3) A calculation of the tax shifts resulting from designation of the affordable housing development district.

4. Limitation. For affordable housing development districts, a municipality may expend the tax increments received for any affordable housing development program only in accordance with the financial plan.

§5249. Project costs

1. Authorized project costs. The director shall review proposed project costs to ensure compliance with this subsection. Authorized project costs are:

A. Costs of improvements made within the affordable housing development district, including, but not limited to:

(1) Capital costs, including, but not limited to:

(a) The acquisition of land or construction of public infrastructure improvements for affordable housing development;

(b) The demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures and fixtures;

(c) Site preparation and finishing work; and

(d) All fees and expenses that are eligible to be included in the capital cost of such improvements, including, but not limited to, licensing and permitting expenses and planning, engineering, architectural, testing, legal and accounting expenses;

(2) Financing costs, including, but not limited to, closing costs, issuance costs and interest paid to holders of evidences of indebtedness issued to pay for project costs and any premium paid over the principal amount of that indebtedness because of the redemption of the obligations before maturity;

(3) Real property assembly costs;

(4) Professional service costs, including, but not limited to, licensing, architectural, planning, engineering and legal expenses;

(5) Administrative costs, including, but not limited to, reasonable charges for the time spent by municipal employees in connection with the implementation of an affordable housing development program;

(6) Relocation costs, including, but not limited to, relocation payments made following condemnation;

(7) Organizational costs relating to the establishment of the affordable housing district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public about the creation of affordable housing development districts and the implementation of project plans;

(8) Costs of facilities used predominantly for recreational purposes, including, but not limited to, recreation centers, athletic fields and swimming pools; and

(9) Costs for child care, including finance costs and construction, staffing, training, certification and accreditation costs related to child care located in the affordable housing development district; and

B. Costs of improvements that are made outside the affordable housing development district but are directly related to or are made necessary by the establishment or operation of the district, including, but not limited to:

(1) That portion of the costs reasonably related to the construction, alteration or expansion of any facilities not located within the district that are required due to improvements or activities within the district, including, but not limited to, sewage treatment plants, water treatment plants or other environmental protection devices; storm or sanitary sewer lines; water lines; electrical lines; improvements to fire stations; and amenities on streets;

(2) Costs of public safety improvements made necessary by the establishment of the district;

(3) Costs of funding to mitigate any adverse impact of the district upon the municipality and its constituents. This funding may be used for public facilities and improvements; and

(4) Costs to establish permanent housing development revolving loan funds or investment funds.

2. Limitation. Tax increments received from any affordable housing development program may not be used to circumvent other tax laws.

§5250. Procedure

1. Notice and hearing. Before designating an affordable housing development district or adopting an affordable housing development program, the municipal legislative body or the municipal legislative body's designee must hold at least one public hearing on the proposed district. Notice of the hearing must be published at least 10 days before the hearing in a newspaper of general circulation within the municipality.

2. Review by director. Before final designation of an affordable housing development district, the director shall review the proposal for the district to ensure that the proposal complies with statutory requirements.

3. Effective date. A designation of an affordable housing development district is effective upon approval by the director.

4. Administration of district. The legislative body of a municipality may create a department, designate an existing department, office, agency, municipal housing or redevelopment authority or enter into a contractual arrangement with a private entity to administer activities authorized under this subchapter.

5. Amendments. A municipality may amend a designated affordable housing development district or an adopted affordable housing development program only after meeting the requirements of this section for designation of an affordable housing

development district or adoption of an affordable housing development program. A municipality may not amend the designation of an affordable housing development district if the amendment would result in the district's being out of compliance with any of the conditions in section 5247, subsection 3.

§5250-A. Affordable housing tax increment financing

1. Designation of captured assessed value. A municipality may retain all or part of the tax increment revenues generated from the increased assessed value of an affordable housing development district for the purpose of financing the affordable housing development program. The amount of tax increment revenues to be retained is determined by designating the captured assessed value. When an affordable housing development program for an affordable housing development district is adopted, the municipal legislative body shall adopt a statement of the percentage of increased assessed value to be retained as captured assessed value in accordance with the affordable housing development program. The statement of percentage may establish a specific percentage or percentages or may describe a method or formula for determination of the percentage. The municipal assessor shall certify the amount of the captured assessed value to the municipality each year.

2. Certification of assessed value. Upon or after the formation of an affordable housing development district, the assessor of the municipality in which the district is located shall certify the original assessed value of the taxable property within the boundaries of the affordable housing development district. Each year after the designation of an affordable housing development district, the municipal assessor shall certify the amount by which the assessed value has increased or decreased from the original value.

Nothing in this subsection allows or sanctions unequal apportionment or assessment of the taxes to be paid on real property in the State. An owner of real property within the affordable housing development district pays real property taxes apportioned equally with property taxes paid elsewhere in the municipality.

3. Affordable housing development program fund; affordable housing tax increment revenues. If a municipality has designated captured assessed value under subsection 1, the municipality shall:

A. Establish an affordable housing development program fund that consists of the following:

(1) A project cost account that is pledged to and charged with the payment of project costs that are outlined in the financial plan and are paid in a manner other than as described in subparagraph (2); and

(2) In instances of municipal indebtedness, a development sinking fund account that is pledged to and charged with the payment of the interest and principal as the interest and principal fall due and the necessary charges of paying interest and principal on any notes, bonds or other evidences of indebtedness that were issued to fund or refund the cost of the affordable housing development program fund;

B. Annually set aside all affordable housing tax increment revenues on captured assessed values and deposit all such revenues to the appropriate affordable housing development program fund account established under paragraph A in the following order of priority:

(1) To the affordable housing development sinking fund account, an amount sufficient, together with estimated future revenues to be deposited to the

account and earnings on the amount, to satisfy all annual debt service on bonds and notes issued under section 5250-D and the financial plan; and

(2) To the affordable housing project cost account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual affordable housing project costs to be paid from the account;

C. Make transfers between affordable housing development program fund accounts established under paragraph A as required, provided that the transfers do not result in a balance in the affordable housing development sinking fund account that is insufficient to cover the annual obligations of that account; and

D. Annually return to the municipal general fund any tax increment revenues remaining in the affordable housing development sinking fund account established under paragraph A in excess of those estimated to be required to satisfy the obligations of the development sinking fund account after taking into account any transfers made under paragraph C. The municipality, at any time during the term of the district, by vote of the municipal officers, may return to the municipal general fund any tax increment revenues remaining in the project cost account established under paragraph A in excess of those estimated to be required to satisfy the obligations of the development project cost account after taking into account any transfer made under paragraph C. In either case, the corresponding amount of local valuation may not be included as part of the captured assessed value as specified by the municipality.

§5250-B. Rules

The director may adopt rules necessary to carry out the duties imposed by this subchapter and to ensure municipal compliance with this subchapter following designation of an affordable housing development district. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

§5250-C. Grants

A municipality may receive grants or gifts for any of the purposes of this subchapter. The tax increment revenues within an affordable housing development district may be used as the local match for certain grant programs.

§5250-D. Bond financing

The legislative body of a municipality may authorize, issue and sell bonds, including but not limited to general obligation or revenue bonds or notes, that mature within 20 years from the date of issue to finance all project costs needed to carry out the affordable housing development program within the affordable housing development district. The municipal officers authorized to issue the bonds or notes may borrow money in anticipation of the sale of the bonds for a period of up to 3 years by issuing temporary notes and notes in renewal of the bonds. All revenues derived under section 5250-A received by the municipality are pledged for the payment of the activities described in the affordable housing development program and used to reduce or cancel the taxes that may otherwise be required to be expended for that purpose. The notes, bonds or other forms of financing may not be included when computing the municipality's net debt. Nothing in this section restricts the ability of the municipality to raise revenue for the payment of project costs in any manner otherwise authorized by law.

§5250-E. Administration

1. Reports. The legislative body of a municipality must report annually to the director regarding the status of an affordable housing development district. The report must:

A. Certify that the public purpose of the affordable housing district, as outlined in this subchapter, is being met;

B. Account for any sales of property within the district; and

C. Certify that rental units within the affordable housing development district have remained affordable.

2. Recovery of public funds. The authority shall develop by rule provisions for recovery of public revenue if conditions for approval of an affordable housing development district are not maintained for the duration of the district. Rules adopted by the authority pursuant to this subsection must be submitted to the Legislature in accordance with Title 5, chapter 375, subchapter 2-A.

§5250-F. Advisory board

The legislative body of a municipality may create an advisory board, a majority of whose members must be owners or occupants of real property located in or adjacent to the affordable housing development district they serve. The advisory board shall advise the legislative body on the planning and implementation of the affordable housing development program, the construction of the district and the maintenance and operation of the district after the program has been completed.

§5250-G. Unorganized territory

For the purposes of this subchapter, a county may act as a municipality for the unorganized territory within the county and may designate affordable housing development districts within the unorganized territory. When a county acts under this section, the county commissioners act as the municipality and as the municipal legislative body, the State Tax Assessor acts as the municipal assessor and the unorganized territory fund receives the funds designated for the municipal general fund.

SUMMARY

This bill creates a separate tax increment financing law for affordable housing development districts.

4. LD 395, An Act to Clarify the Use of Municipal Rate of Growth Ordinances, Sponsored by Rep. Ed Suslovic

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA §4360, as enacted by PL 2001, c. 591, §1, is repealed and the following enacted in its place:

§4360. Rate of growth ordinances

A municipality may enact an ordinance under its home rule authority limiting the number of building or development permits issued over a designated time frame, referred to in this section as a "growth rate ordinance," only under the following circumstances.

1. Temporary growth rate ordinance. A temporary growth rate ordinance must meet the following requirements:

A. The temporary growth rate ordinance is needed to provide time for the municipality while it takes specific actions to improve facilities or services needed to accommodate growth;

B. The temporary growth rate ordinance is enacted for a definite term, not to exceed 2 years, unless the municipality is granted an exception pursuant to rules established by the office. Rules adopted pursuant to this paragraph are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A; and

C. A municipality may not enact a temporary growth rate ordinance more than once during any 10-year period.

2. Ongoing growth rate ordinance. An ongoing growth rate ordinance may be enacted only as part of an integrated growth management strategy that includes the following components:

A. An adopted comprehensive plan that is consistent with the planning and land use regulation laws under this chapter;

B. A clear justification in the comprehensive plan under paragraph A that:

(1) Identifies existing or projected capacity problems regarding municipal facilities and services;

(2) Provides a strategy in the capital investment plan for increasing capacity regarding municipal facilities and services;

(3) Links the proposed growth rate ordinance to an allocation of existing and future capacity regarding municipal facilities and services;

(4) Provides a basis for the amount of growth to be allowed under the growth rate ordinance that considers the municipality's historic growth rates and its reasonable share of future growth anticipated in the region;

(5) Considers the impact of the growth rate ordinance on housing affordability; and

(6) Considers the impact of the growth rate ordinance on neighboring communities;

C. A requirement that the number of building permits issued annually under the growth rate ordinance must be no less than the average number of permits issued annually by the municipality for the 10 years prior to adoption of the growth rate ordinance;

D. A requirement in the growth rate ordinance that the municipality review every 5 years the justification in the comprehensive plan under paragraph B to determine whether the growth rate ordinance is still necessary and how the growth rate ordinance may be adjusted to meet current conditions; and

E. A requirement that residential housing units affordable to low-income households as defined by rule be exempt from building cap provisions within the municipality's growth areas as designated within its comprehensive plan under paragraph A. This exemption does not apply to communities that provide adequate housing opportunities locally for this income group and that provide a reasonable share of adequate housing opportunities on a regional basis, as determined by the Maine State Housing Authority. In reviewing and approving proposals for housing units affordable for low-income households, municipalities may require provisions ensuring that these units, as built, will be sold or rented for a price that is affordable for this group as established by rule and that the affordability will be maintained in subsequent resale or future rental of the units.

The office shall adopt rules to implement this subsection. Rules adopted pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

3. Growth rate ordinances that apply outside designated growth areas. A municipality with a comprehensive plan adopted pursuant to the planning and land use regulation laws under this chapter may adopt an ongoing growth rate ordinance that applies only to designated rural areas if:

A. That growth rate ordinance is recommended in the comprehensive plan as a mechanism for guiding growth; and

B. The comprehensive plan lays out policies and strategies for accommodating most of the community's future growth in designated growth areas.

SUMMARY

This bill outlines how a municipality may adopt a growth rate ordinance. Temporary growth rate ordinances may be enacted only to slow development while a community works toward solving the problems necessitating the growth rate ordinance. An ongoing growth rate ordinance may be enacted only as part of an integrated growth management strategy and also may be used in designated rural areas as a mechanism to guide growth within a community. The bill also clarifies that a municipality with a comprehensive plan may implement a growth rate ordinance that applies only to designated rural areas.

5. LD 389, An Act to Amend the Laws Governing Municipal Citizen Initiatives and Referenda, Sponsored by Rep. Ed Suslovic

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, it has become increasingly common for citizen groups to circulate petitions for citizen initiatives and referenda proposing amendments to municipal ordinances or bylaws that, if enacted, would have the effect of retroactively invalidating, repealing, revoking or modifying building permits, land use approvals or other actions permitting development after these permits or approvals were issued or these actions have been taken; and

Whereas, this retroactive effect creates uncertainty and discourages the development of commercial and industrial projects in this State; and

Whereas, immediate enactment of this legislation is necessary to eliminate the uncertainties of doing business in this State; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA §3001, sub-§5 is enacted to read:

5. Limitation on ordinance power. A municipal ordinance or bylaw enacted by citizen initiative or referendum may not invalidate, repeal, revoke, modify or have the effect of invalidating, repealing, revoking or modifying any building permit, zoning permit, land use approval, subdivision approval, site plan approval, rezoning, certification, variance or other action having the effect of permitting development if that permit or approval was issued or that action was taken prior to the enactment of that ordinance or bylaw.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

SUMMARY

This bill prohibits municipal ordinances or bylaws enacted by citizen initiative or referendum from containing retroactivity provisions that have the effect of invalidating, repealing, revoking or modifying any building permit, land use approval or other action having the effect of permitting development if that permit or approval was issued or that action was taken prior to enactment of the ordinance or bylaw.

6. LD 688, An Act to Provide Incentives for Municipalities to Adopt a Building Rehabilitation Code, Sponsored by Rep. Koffman

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 30-A MRSA §4105 is enacted to read:

§4105. Building rehabilitation code; incentives

A municipality that adopts the most recent version of the building rehabilitation code that has been prepared by the International Code Council, the Building Officials and Code Administrators International or the National Fire Protection Association must be given preference for economic development grants administered by the Department of Economic and Community Development. The Department of Economic and Community Development, in coordination with the State Planning Office, shall adopt rules to implement this section. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

SUMMARY

This bill provides that a municipality that adopts the rehabilitation component of a nationally recognized building code must be given preference for economic development grants administered by the Department of Economic and Community Development.